



Iowa Department of
REVENUE

FOUR-YEAR STRATEGIC PLAN

FISCAL YEAR 2012 THROUGH FISCAL YEAR 2015



Iowa Department of **REVENUE**

Department Leadership

Courtney M. Kay-Decker – Director

Stuart Vos – Deputy Director & Administrator, Tax Management Division

Victoria L. Daniels – Chief Communications Officer & Administrator, Policy & Communications Division

Amy Rehder Harris, Ph.D. - Chief Economist & Administrator, Research & Analysis Division

Jessica Holmes – Chief Operating Officer & Administrator, Internal Services Division

Mike Rohlf – Chief Innovation Officer & Administrator, Process Improvement & Innovation Division

Julie G. Roisen – Local Government Operations Chief & Administrator, Property Tax Division

Mission and Vision

Mission

The mission of the Iowa Department of Revenue is to serve Iowans and support state government by collecting all taxes required by law, but no more.

Vision

“Iowa will be a state where it is easy to understand and comply with tax obligations.”



Core Functions

- **REVENUE COMPLIANCE AND COLLECTION**

The most visible portion of our operations, this function includes **educating taxpayers** - our customers - on tax laws and regulations, **processing tax returns** and related documents, and **collecting taxes** and other amounts due, all in compliance with Iowa's tax laws. Under this umbrella, the Department conducts its **taxpayer examination and audit programs** and **resolves disputed tax issues**.

- **LOCAL GOVERNMENT ASSISTANCE**

We provide support to local governments by administering **just and uniform property assessments** across the state. This function also **administers programs for property tax relief** (including administration of the business property tax credit), **local option taxes, school infrastructure taxes**, and **sales tax increment programs**.

- **RESEARCH, ANALYSIS, AND INFORMATION MANAGEMENT**

The Department performs **tax policy development and analysis**, fiscal impact estimation, and **economic and statistical research and analysis** to help customers, stakeholders, and policymakers make informed decisions.

- **RESOURCE MANAGEMENT**

The resource management function provides internal **infrastructure support** of the Department's operations, including **oversight of technology development and support**, personnel management, and **budgeting**.



Iowa Department of **REVENUE**

Assessment

The Department of Revenue has the opportunity to interact with nearly every Iowan at some point during his or her lifetime. **The Department is also the financial engine of the state**, responsible for collecting the vast majority of the appropriable revenues. We deal with complex tax laws, and we must craft regulations in support of those laws. To do our job, **we must effectively communicate** with our constituencies, in large part **by finding ways to make the complex simple** and more efficient along the way.

Challenges and Opportunities

- **TECHNOLOGY**

Technology is and will continue to be a challenge and an opportunity in Department operations. Since inception of this strategic plan, the Department has implemented a number of new technologies to improve the way we provide services to taxpayers and others within state government. Most notable is our **partnership with the Office of the Chief Information Officer (OCIO)** for the coordination, maintenance, and development of our technology infrastructure. During this time we have also improved our processing systems to more quickly and effectively process paper returns, checks, and other documents by adding and enhancing imaging systems. The benefits of better technology are tempered with the heightened risks of security breaches and tax fraud. **The Department zealously protects Iowa taxpayers' confidential information**. In that regard, we have partnered with the OCIO's security office to mitigate security risks and we routinely evaluate and update our fraud tools to help detect fraud and identity theft.

We must continuously **plan for modernization** of our hardware and software systems in a way that **leverages other agencies' experiences** and **creates opportunities for collaboration**. We must ensure that State government and Iowa taxpayers receive the services they need in the most timely and cost-effective manner possible. We are challenged on an ongoing basis to **reimagine our processes to harness today's technology** to provide our core services and functions more efficiently. We must also ensure that our workforce is able to adapt to the changing roles that will come from process and technology improvements.



Iowa Department of **REVENUE**

- **TRANSPARENCY AND COMMUNICATION**

2011 legislation provided the foundation for **statewide tax rate and budget databases**. The Department is an important partner in ensuring this information reaches taxpayers. In addition, the 2013 property tax reform legislation provided significant opportunities for state and local governments to collaborate in making property-related public information more accessible. **We are pleased to play a role in that ongoing effort.**

Transparency is a hallmark of a voluntary tax system. We know that many errors and disputes arise from misunderstandings about applicable tax obligations. Our audit, examination, and collections operations successfully collect significant revenues owed to the State. However, **we will be more efficient if we reduce the number of compliance contacts we must initiate with taxpayers.** Our challenge is to find ways to **clearly and concisely communicate information** to taxpayers so they can **voluntarily and correctly comply**. Since inception of this strategic plan, we have instituted a number of **new and improved communication tools**, including Twitter and Facebook. We have also collaborated with the Economic Development Authority and MyEntre.Net at the University of Northern Iowa to provide webinars on tax topics via IASourceLink.

Guiding Principles

Governor Branstad has outlined four overarching goals for his administration:

- Create 200,000 New Jobs,
- Reduce the Cost of Government by 15%,
- Restore Iowa's Educational System to Number One in the Nation, and
- Increase Family Incomes by 25%.

The Department of Revenue will do its part to support and further these goals. **We have developed this Strategic Plan with the Governor's goals as our guiding principles.** We have also adopted the following detailed **Departmental Guiding Principles**:



Iowa Department of **REVENUE**

CUSTOMER FOCUS

- We understand that Iowa taxpayers are our number one customers.
- We collaborate and partner with both our internal and external customers.
- We use technology to support our customers more efficiently.
- We maintain the public's confidence by safeguarding our customers' confidential information.

EXPERTISE

- We provide expert advice and support to policymakers and to local and state government entities.
- We help local governments responsibly manage their fiscal resources through our support of the property tax system, including administration of credits; distribution of local option taxes; and administration of sales tax increment programs.
- We educate and train employees to gain the knowledge needed to perform their jobs the best they can.

EDUCATION

- We recognize that Iowa tax laws are complex and we provide the services and education necessary to facilitate compliance.
- We simplify regulations where possible and recommend policy that enhances the ease of taxpayer compliance.

FISCAL MANAGEMENT

- We responsibly manage our financial resources to fulfill our mission.
- We continually monitor and measure our internal processes to assure economy and efficiency, keeping the cost of state government as low as possible.
- We work with the Legislative Branch to recommend fiscally sound legislation that reflects the fiscal obligations of the State.



Iowa Department of **REVENUE**

Goals, Measures, Strategies, and Action Steps

GOAL 1: Provide Superior Customer Service

MEASURES:	STRATEGIES:	ACTION STEPS:
<ul style="list-style-type: none">• Taxpayer satisfaction.• Employee performance.• Number and subject matter of taxpayer contacts.	<ul style="list-style-type: none">• Acknowledge and reward positive behavior and interactions.• Expand employee training.• Lead by example.	<ul style="list-style-type: none">• Explore additional taxpayer feedback mechanisms.• Continue to implement and refine results-based employee performance plans.• Continue to monitor communication channels; adjust communications and education accordingly.• Review all audit programs for effectiveness and efficiency.

GOAL 2: Provide Accurate, Clear, and Concise Information to Taxpayers

MEASURES:	STRATEGIES:	ACTION STEPS:
<ul style="list-style-type: none">• Percentages of known-due individual and corporate income taxes paid timely.• Recovery rate for major tax types.• Number of taxpayer contacts per communication channel.	<ul style="list-style-type: none">• Develop and implement a state of the art taxpayer education program.• Leverage employee and taxpayer feedback to provide targeted education and communication.• Provide the right information to taxpayers in the most efficient and effective manner.	<ul style="list-style-type: none">• Create a taxpayer education focus and create a promotion and education plan, including possible use of social networking tools.• Contact taxpayer, tax preparer, and industry groups prior to initiating audit programs.• Expand opportunities for “self-audit” programs as opposed to traditional audit activities.

GOAL 3: Modernize the Delivery of Tax Administration Services

MEASURES:	STRATEGIES:	ACTION STEPS:
<ul style="list-style-type: none">• Taxpayer satisfaction.• Processing cycle time.• Employee productivity.• Return on investment.	<ul style="list-style-type: none">• Review current processes and system needs in each division.• Investigate other tax administration systems and applications.• Conduct ongoing review of forms and automated communications.	<ul style="list-style-type: none">• Assemble interdepartmental teams to determine scope of projects.• Begin ongoing, phased-in implementation as appropriate.